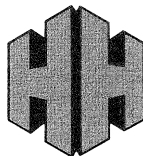


Management Letter

**SUSSEX ACADEMY OF ARTS AND SCIENCES**  
(A Component Unit of the State of Delaware)  
Georgetown, Delaware

Year Ended June 30, 2007



**HAGGERTY & HAGGERTY, P.A.**

**CERTIFIED PUBLIC ACCOUNTANTS  
& MANAGEMENT CONSULTANTS**

James R. Zdimal, CPA†  
Vincent S. Barbone, CPA, CFE\*†

American Institute of CPA  
Pennsylvania Institute of CPA\*  
Delaware Society of CPA†  
Private Companies Practice Section

### **Management Letter**

To the Members of the Board  
**Sussex Academy of Arts and Sciences**  
Wilmington, Delaware

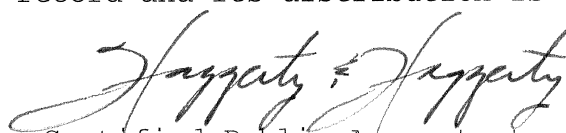
In planning and performing our audit of the financial statements of Sussex Academy of Arts and Sciences (a component unit of the State of Delaware) for the year ended June 30, 2007, we considered the School's internal controls in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal controls.

During the audit we became aware of matters that are opportunities for strengthening internal controls and increasing efficiency. The memorandum that accompanies this letter summarizes our findings and recommendations regarding those matters. A separate report dated August 15, 2007, contains our report on deficiencies in the School's internal controls. The letter does not affect our report on the School's financial statements, dated August 15, 2007.

The matters noted are only those that came to our attention and, had our procedures for internal control related matters been more extensive, other matters might have been noted. Also, the functioning of the internal controls was assessed at a point in time, and no assurances can be drawn that the internal controls are functioning or will continue to function beyond the point in time at which they were assessed. No opinion is being expressed regarding the internal controls taken as a whole.

The status of the findings will be reviewed in the subsequent audit engagement. We have discussed these matters with the School's personnel and we would be pleased to discuss them in further detail, to perform any additional study, or to assist the School in the implementation of the recommendations.

This report is intended solely for the information and use of management, School Board, Department of Education, Office of the Governor, Office of Controller General, Office of Attorney General, Office of the Budget, Office of Auditor of Accounts, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, under 29 Del. C., Section 10002(d), this report is a public record and its distribution is not limited.

  
Certified Public Accountants

August 15, 2007  
Wilmington, Delaware

To the Members of the Board  
**Sussex Academy of Arts and Sciences**  
Management Letter  
August 15, 2007  
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**LIST OF FINDINGS FOLLOWS:**

<u>Current Findings</u>	<u>Description</u>
None.	

Status of Prior Year's Findings

**June 30, 2006:**

1	School Food Services
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To the Members of the Board  
**Sussex Academy of Arts and Sciences**  
Management Letter  
August 15, 2007  
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## **STATUS OF PRIOR YEAR'S FINDINGS**

**June 30, 2006:**

### **Finding Number 1 - School Food Services**

Our review of the activities of the school food services revealed that reconciliations are not performed between student orders and vendor billings.

#### Recommendation

We recommended that the School reconcile student order forms, order sheets and vendor invoices.

#### Management Response and Correction Action

*"Beginning with fiscal year 2007, Sussex Academy of Arts and Sciences has put in place an improved system to reconcile student order forms, order sheets, and vendor invoices."*

#### Status of Finding

**The finding is resolved.**